



**DAWN CLARK NETSCH**

Comptroller  
State of Illinois

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PAYROLL BULLETIN  
(1-91)

TO: All State Agencies, Departments, Boards, Commissions  
and Universities

SUBJECT: Change In Garnishment Calculation  
Due To Change In Minimum Wage Law

Beginning April 1, 1991, the federal minimum wage will increase from \$3.80 per hour to \$4.25 per hour. This will change the calculations for garnishments for any pay period beginning after March 31, 1991. Calculations for the purpose of determining the amount which is exempt from wage garnishment is shown below. Use the method that leaves the employee with the most money.

1. 85% of gross wages
2. 40 times the federal minimum hourly wage  
 $40 \times \$4.25 \times \$170.00$  = disposable income exempt  
per week  
 $40 \times \$4.25 \times 2.1667 \text{ weeks}$  = \$368.34 = disposable income  
exempt semi-monthly  
 $40 \times \$4.25 \times 4.3333 \text{ weeks}$  = \$736.66 = disposable income  
exempt monthly  
 $40 \times \$4.25 \times 2 \text{ weeks}$  = \$340.00 = disposable income  
exempt bi-weekly

No garnishment deduction may be taken if the employee's disposable wages do not exceed 40 times the minimum hourly wage for the applicable pay period. There has been no change in the method of determining non-exempt wages for garnishment purposes.

Questions regarding this bulletin should be referred to Dan Steven or Nancy Smith at (217) 782-4758.

Sincerely,

Larry D. Roth  
Director - State Accounting